

3/15/77 [2]

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THE PRESIDENT HAS SEEN.

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

March 15, 1977

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

FROM: CHARLIE SCHULTZE *CLS*

SUBJECT: Advance Statistics on Housing Starts

In line with other measures of economic performance, housing starts bounced back sharply in February from the January cold weather slump.

Housing Starts
(thousands of units; seasonally adjusted
annual rate)

| | <u>Total</u> | <u>Single Family</u> | <u>2 Units or more</u> |
|-------------|--------------|--------------------------|----------------------------|
| 1976: Oct. | 1715 | 1269 | 446 |
| Nov. | 1706 | 1236 | 470 |
| Dec. | 1884 | 1331 | 553 |
| 1977: Jan. | 1386 | 1010 | 376 |
| <u>Feb.</u> | <u>1791</u> | <u>1422</u> | 369 |

These new data will be released at 2:30 p.m. Wednesday.

**Electrostatic Copy Made
for Preservation Purposes**

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 14, 1977

MEETING WITH DR. RICHARD C. ATKINSON

Tuesday, March 15, 1977
11:00 a.m. (15 minutes)
The Oval Office

From: Hamilton Jordan

I. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: On March 7th I sent you Frank Press' recommendations on the National Science Foundation. The choice of both Frank and the National Science Board was Dr. Richard Atkinson, who is presently the Deputy Director. Atkinson is a behavioral scientist with excellent scientific credentials, and the scientific community would be happy with his appointment. (see TAB A)

You indicated you agreed with the recommendation but wished to personally interview Atkinson.

B. Participants: The President, Dr. Richard Atkinson.

C. Press Plan: No announcement to the press; White House photographer.

II. TALKING POINTS:

You might want to ask Atkinson for his views on the role the National Science Foundation can play in carrying out the Administration's objectives.

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

March 7, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM : Frank Press *F.P.*

SUBJECT : National Science Foundation Director

Attached is a summary discussion of potential candidates for Director, the National Science Foundation (NSF). In considering this position, I have considered the present NSF programs, potential future developments, and the relation of NSF to other Federally-sponsored research and development. The National Science Board has consulted widely on the question of a Director, as mandated in the NSF legislation, and provided inputs. There have been inputs from the Carter-Mondale Transition Team and a number of scientists. I believe this process has identified virtually every qualified individual who would be willing to serve in Washington at this time.

It is my recommendation - in agreement with that of the National Science Board - that you consider Dr. Richard C. Atkinson for this position. Dr. Atkinson is a behavioral scientist with excellent scientific credentials. As an experimental psychologist and applied mathematician concerned with the theoretical basis of memory and cognition, he was one of the first to transform intuitive ideas about the nature of memory into an explicit theory. As a university researcher and teacher and builder of one of the strongest departments of psychology in the nation, Dr. Atkinson is familiar with the problems faced by NSF's principal client - the university community. Dr. Atkinson came to the National Science Foundation in June 1975 as the Deputy Director. He has acquitted himself extraordinarily well in his work as Deputy Director and, since August 1976 as the Acting Director.

NSF is now a very large, visibly public agency of the government with a complex and diverse program. A number of persons who commented on Dr. Atkinson noted that his management experience with large organizations is comparatively limited. However, the National Science Board and others have commented favorably on Dr. Atkinson's excellent administration of the NSF over the last six months. Dr. Atkinson has shown that he can manage the National Science Foundation and for good measure he plans to improve the management back-up in his senior executive team. In making subsequent recommendations to you on the appointment of a Deputy Director, both he and I will keep this need in mind.

✓

THE WHITE HOUSE
WASHINGTON

March 15, 1977

Hugh Carter
Richard Harden
Bob Lipshutz

The attached was returned in the
President's outbox. The signed
letters have been given to Bob
Linder to handle delivery.

Rick Hutcheson

Re: Presidential Photograph

CC: Walt Wurfel

X

THE WHITE HOUSE
WASHINGTONACTION

March 10, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER *HC*
SUBJECT: Presidential Photograph

The question of what extent the official Presidential photographs will be used on official documents and in government buildings has come up.

In the past the following has been the procedure:

- (1) The White House Photo Office has distributed negatives to the various agencies for use in publications, press needs, certificates and other documents. Also, the agencies have prints prepared for placement on building walls.
- (2) The incumbent National Committee (DNC or RNC) has purchased the pictures for distribution to government agencies, embassies, schools, prisons, etc., on request, to be placed on the walls. The White House and primarily GSA has handled the distribution. During the Ford Administration 46,000 photos, at a cost of 15¢ each, were distributed.

Recently the White House Photo Office sent out negatives to the agencies as noted in #1 above. The DNC has not purchased any photos yet. We have received a fair number of inquiries from individuals and from the press on what our policy on this will be.

I suggest you issue something on the order of the following to the agencies and the DNC:

"My policy on the use of the official Presidential photograph is that it be used where the law requires.

All other uses will be at your discretion.
However, in the interest of conserving money,
I ask that you limit its use to those places
where absolutely necessary."

Approve ✓

Disapprove

If you approve, a decision needs to be made on distribution
of this memo.

Have Presidential memo sent to Agencies and DNC.

Yes (if you concur, two
signatures needed)

No

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE HEADS OF

DEPARTMENTS AND AGENCIES

My policy on the use of the official Presidential photograph is that it be used where the law requires. All other uses will be at your discretion. However, in the interest of conserving money, I ask that you limit its use to those places where absolutely necessary.

Jimmy Carter

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR

THE CHAIRMAN OF THE DEMOCRATIC
NATIONAL COMMITTEE

My policy on the use of the official Presidential photograph is that it be used where the law requires. All other uses will be at your discretion. However, in the interest of conserving money, I ask that you limit its use to those places where absolutely necessary.

Jimmy Carter

THE WHITE HOUSE

WASHINGTON

Date: March 10, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat — *NC*
Bob Lipshutz
Frank Moore
Jody Powell
Jack Watson — *ne*

FOR INFORMATION: Bob Linder

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Hugh Carter memo 3/10/77 re
Presidential Photograph.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 4:00 P.M.

DAY: Saturday

DATE: March 12, 1977

ACTION REQUESTED:

Other: ☒ Your comments

STAFF RESPONSE:

☐ I concur.
Please note other comments below:

☐ No comment.

*Signed
3/15 & given
to Bob Linder*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

3/10

Rick:

For your information --

I ran a draft of this
by Jody, and he agreed
with it.

Hugh




THE WHITE HOUSE

WASHINGTON

ACTION

March 10, 1977

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FROM: HUGH CARTER 
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All other uses will be at your discretion.

However, in the interest of conserving money,
I ask that you limit its use to those places
where absolutely necessary."

Approve _____

Disapprove _____

If you approve, a decision needs to be made on distribution
of this memo.

Have Presidential memo sent to Agencies and DNC.

Yes _____ (Sign memos at Tab A)

No _____

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR THE HEADS OF
DEPARTMENTS AND AGENCIES

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THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR

THE CHAIRMAN OF THE DEMOCRATIC
NATIONAL COMMITTEE

My policy on the use of the official Presidential photograph is that it be used where the law requires. All other uses will be at your discretion. However, in the interest of conserving money, I ask that you limit its use to those places where absolutely necessary.

March 10, 1977

MEMORANDUM

FOR ACTION:

Ed Eizenstat
Bob Lipshutz
Frank Moore
Jody Powell
Jack Watson ✓

FOR INFORMATION: Bob Linder

FROM: Rick Hutcheson, Staff Secretary

977 MAR 11 AM 9 53

SUBJECT: Hugh Carter memo 3/10/77 re
Presidential Photograph.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 4:00 P.M.

DAY: Saturday

DATE: March 12, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ concur.

☒ No comment.

Please note other comments below:

fw

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

R ACTION:

FOR INFORMATION: Bob Linder

Eizenstat ✓
Gipshutz
Frank Moore
Tody Powell
Jack Watson

RECEIVED

77 MAR 11 A 8:53

182

XC Bent Camp
David Rubins

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Hugh Carter memo 3/10/77 re
Presidential Photograph.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 4:00 P.M.

DAY: Saturday

DATE: March 12, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☒ No comment.

Please note other comments below:

Sh

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 14, 1977

MEETING WITH FRANK MOSS

Tuesday, March 15, 1977
3:15 p.m. (15 minutes)
The Oval Office

From: Hamilton Jordan

I. PURPOSE

Former Senator Moss has requested an appointment with you. He has made this request both through my office and Vice President Mondale.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: Both the Vice President and I have met with Senator Moss. He is primarily interested in appointment as Administrator of NASA. He was chairman of the Senate authorizing Committee for NASA and is familiar with NASA programs and objectives. His name was among those considered by Frank Press in his search for a suitable candidate to replace Jim Fletcher, but Frank has indicated that Senator Moss will not be among those he recommends for Administrator of NASA, primarily because of objections from the scientific and technical community.

We have also submitted Frank Moss' name to the Ambassadorial Committee for its consideration, and Gov. Harriman has indicated he will give it his recommendation.

B. Participants: The President, Former Senator Moss.

C. Press Plan: No announcement to the Press. W.H. Photographer.

III. TALKING POINTS: The Vice President and I recommend that you indicate you have instructed me to find a position which will appropriately use the Senator's experience to the best advantage and that this is being actively pursued. However, you should not promise him the top NASA job.

THE WHITE HOUSE
WASHINGTON

March 15, 1977

Hugh Carter -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

Re: Provision of transportation
and other services to former
Presidents and Vice Presidents

cc Ham Jordan

THE WHITE HOUSE
WASHINGTON

| ACTION | FYI |
|--------|-----------|
| | MONDALE |
| | COSTANZA |
| | EIZENSTAT |
| | JORDAN |
| | LIPSHUTZ |
| | MOORE |
| | POWELL |
| | WATSON |

| | |
|---|---------------------------|
| | FOR STAFFING |
| | FOR INFORMATION |
| X | FROM PRESIDENT'S OUTBOX |
| | LOG IN/TO PRESIDENT TODAY |
| | IMMEDIATE TURNAROUND |

| | |
|--|---|
| | ENROLLED BILL |
| | AGENCY BILL |
| | Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day. |

| | |
|--|---|
| | CAB DECISION |
| | EXECUTIVE ORDER |
| | Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day. |

| ACTION | FYI |
|--------|--------------|
| | ARAGON |
| | BOURNE |
| | BRZEZINSKI |
| | BUTLER |
| | CARP |
| X | H. CARTER |
| | CLOUGH |
| | FALLOWS |
| | FIRST LADY |
| | GAMMILL |
| | HARDEN |
| | HOYT |
| | HUTCHESON |
| | JAGODA |
| | KING |
| | KRAFT |
| | LANCE |
| | LINDER |
| | MITCHELL |
| | POSTON |
| | PRESS |
| | B. RAINWATER |
| | SCHLESINGER |
| | SCHNEIDERS |
| | SCHULTZE |
| | SIEGEL |
| | SMITH |
| | WELLS |
| | VOORDE |

For transmittal to the President
J. Watson
cc: Mike Blumenthal
THE PRESIDENT HAS SEEN.
Department of Justice
Washington, D.C. 20530
MAR 4 1977

cc: Hugh Carter
From now on get
a proper certification
from Sec Treas that
Xportation is necessary
JC.

MEMORANDUM FOR THE ATTORNEY GENERAL

Re: Provision of transportation and other services
to former Presidents and Vice Presidents

The President has asked for your advice as to the proper way to handle "requests from former Presidents and Vice Presidents for transportation, Secret Service protection for overseas trips, and some personal use of government employees."

For reasons stated more fully hereafter, we conclude that both transportation and limited use of Government employees may be provided to all former Presidents during their lifetime and to former Vice President Rockefeller until July 20, 1977, if such transportation and usage of employees is directly connected to and required for Secret Service protection of these persons.

I. Secret Service Protection

Under 18 U.S.C. §3056 secret service protection is to be made available to all former Presidents during their lifetime. That statute gives wide discretion to the Secretary of the Treasury and the Director of the Secret Service to determine what services are necessary to ensure adequate protection and to call on other departments of the Government to render assistance. Under Pub. L. No. 95-1, enacted January 19, 1977, that protection may be extended to Vice President Rockefeller until July 20, 1977. The following discussion applies equally to former Presidents and Mr. Rockefeller.

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for Preservation Purposes



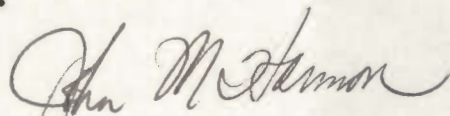
II. Transportation and Personal Use of Government Employees

The Director of the Secret Service has statutory authority to furnish transportation and other services to former Presidents if he determines that such transportation and services are required in connection with the protection of those persons. In our memorandum of January 26, 1977 responding to an inquiry from Mr. Lipshutz' office, we specifically advised "that a determination by the Director of the Secret Service that military aircraft should be used to transport former President Ford [on personal business] in order to facilitate Secret Service protection could furnish an adequate basis for the detail of available military aircraft to fly the former President."

That statement is equally applicable whether the transportation is within or without the United States, the crucial inquiry being whether, according to the Director, such transportation by other than common carrier is required in order adequately to protect the former President.

Similarly, in that memorandum we concluded that a Government employee - in that case a medical corpsman - could be assigned to the former President travelling on personal business only upon a determination that the assignment was necessary to maintain Secret Service protection. We take the same view with respect to any other Government employees who might be detailed to the former President.

We would emphasize that the authority to administer the statutes relating to the protection of former Presidents and others eligible for Secret Service protection is vested by statute in the Secretary of the Treasury and the Director of the Secret Service. Those officials are charged with the responsibility for deciding whether to grant particular requests for transportation or personal use of Government employees on a case by case basis.



John M. Harmon
Acting Assistant Attorney General
Office of Legal Counsel

THE WHITE HOUSE
WASHINGTON

Mr. President:

I deleted the attachment
deliberately on the assumption
that Jack's summary paragraph
might suffice.

Attached has been replaced.

Rick

ATTACHMENT
JUSTICE MEMORANDUM

THE WHITE HOUSE
WASHINGTON

*Jack -
Where is the
memorandum?
J*

March 11, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: JACK WATSON *Jack*
RE: PROVISION OF TRANSPORTATION AND
OTHER SERVICES TO FORMER PRESIDENTS
AND VICE PRESIDENTS

C

In response to your note of February 17, 1977, Griffin has forwarded a memorandum prepared by his office of Legal Counsel dealing with the provision of transportation, Secret Service protection and personal use of Government employees to former Presidents and Vice Presidents. He concurs in its conclusion that both transportation and limited use of Government employees may be provided to all former Presidents during their lifetime and to former Vice President Rockefeller until July 20, 1977, if such transportation and usage of employees is directly connected to and required for Secret Service protection of these persons.

**Electrostatic Copy Made
for Preservation Purposes**

CC: Secretary Blumenthal
(with attachment)

Attachment

THE WHITE HOUSE
WASHINGTON

March 15, 1977

Stu Eizenstat -

The attached was returned in the President's outbox. The original has been given to Bob Linder for appropriate handling. This copy is for your information.

Rick Hutcheson

Re: Letter to President's Commission
on Olympic Sports

X

83/15/77
THE WHITE HOUSE

WASHINGTON

March 12, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*

SUBJECT:

THE PRESIDENT'S COMMISSION ON
OLYMPIC SPORTS

Pursuant to Executive Order, the President's Commission on Olympic Sports will terminate operation on Tuesday, March 15, 1977. A Presidential statement of appreciation and support for their efforts is appropriate. A letter for your signature is attached.

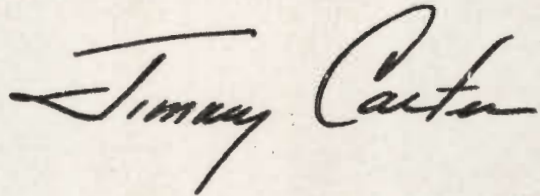
THE WHITE HOUSE

WASHINGTON

To Michael Harrigan

I wish to thank the President's Commission on Olympic Sports for its work in focusing national attention on the importance of amateur sports and physical fitness in the lives of our people. I support the view that efforts should be made to resolve organizational and other problems relating to amateur sports programs. It is my hope that because of the Commission's efforts, more people will become actively involved in sports and physical fitness programs.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style with a large, prominent "J" and "C".

Mr. Michael T. Harrigan
Executive Director
President's Commission on
Olympic Sports
Suite 3002
2025 M Street, N.W.
Washington, D.C. 20506

THE WHITE HOUSE
WASHINGTON

March 15, 1977

Frank Moore -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Tim Kraft

John White

THE WHITE HOUSE
WASHINGTON

| ACTION | FYI | |
|--------|-----|-----------|
| | | MONDALE |
| | | COSTANZA |
| | | EIZENSTAT |
| | | JORDAN |
| | | LIPSHUTZ |
| | X | MOORE |
| | | POWELL |
| | | WATSON |

| | |
|---|---------------------------|
| | FOR STAFFING |
| | FOR INFORMATION |
| X | FROM PRESIDENT'S OUTBOX |
| | LOG IN/TO PRESIDENT TODAY |
| | IMMEDIATE TURNAROUND |

| | |
|--|---|
| | ENROLLED BILL |
| | AGENCY BILL |
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| | |
|--|---|
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|--------|-----|--------------|
| | | ARAGON |
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| | | BRZEZINSKI |
| | | BUTLER |
| | | CARP |
| | | H. CARTER |
| | | CLOUGH |
| | | FALLOWS |
| | | FIRST LADY |
| | | GAMMILL |
| | | HARDEN |
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| | | JAGODA |
| | | KING |
| | X | KRAFT |
| | | LANCE |
| | | LINDER |
| | | MITCHELL |
| | | POSTON |
| | | PRESS |
| | | B. RAINWATER |
| | | SCHLESINGER |
| | | SCHNEIDERS |
| | | SCHULTZE |
| | | SIEGEL |
| | | SMITH |
| | | WELLS |
| | | VOORDE |

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

ok
JC

March 15, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *FM.*

Senator Talmadge is having a luncheon for John White today after the Committee has voted favorably for John's confirmation.

There is some dissidence in the agriculture community and the Senator is trying to calm the water. I think we should probably set up a separate lunch or supper for you and ~~he~~.

him.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

March 15, 1977

Z. Brzezinski -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The Vice President
Stu Eizenstat
Ham Jordan
Jody Powell

Article from THE ECONOMIST 3/5/77
"Carter's Way"

THE WHITE HOUSE
WASHINGTON

| ACTION | FYI | |
|--------|-----|-----------|
| | X | MONDALE |
| | | COSTANZA |
| | X | EIZENSTAT |
| | X | JORDAN |
| | | LIPSHUTZ |
| | | MOORE |
| | X | POWELL |
| | | WATSON |

| | |
|---|---------------------------|
| | FOR STAFFING |
| | FOR INFORMATION |
| X | FROM PRESIDENT'S OUTBOX |
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| | | B. RAINWATER |
| | | SCHLESINGER |
| | | SCHNEIDERS |
| | | SCHULTZE |
| | | SIEGEL |
| | | SMITH |
| | | WELLS |
| | | VOORDE |

This good J

March 5, 1977

A very intelligent
+ positive assessment
of the policy - in
a very influential
magazine

Carter's way

Speak clearly, and let it be known that you carry a stick. President Carter's foreign policy, it is plain, is going to be different from Henry Kissinger's. On Tuesday Mr Carter talked to Vladimir Bukovsky in the White House, thereby underlining the message of the letter he sent last month to another leading Soviet dissident, Andrei Sakharov. Five days earlier the United States had told three countries—Ethiopia, Argentina and Uruguay—that they will be getting less American aid in future because of the way they treat some of their citizens (see page 76). The Carter administration has begun to leave the Realpolitik of Mr Kissinger with a touch of what it calls "morality".

That is a fuzzy word, and American foreign policy will not henceforth consist simply of commending the virtuous and reprimanding the wicked. The new secretary of state, Mr Vance, has already explained that South Korea, for instance, is too important strategically to be fined for its misdemeanours like Ethiopia or Uruguay. Yet the shift of emphasis from the Kissinger era is clear. Tactical convenience is no longer the main criterion for deciding how America will deal with illiberal governments: friendly ones will not be exempt from criticism merely because they are friendly, adversaries merely because they are powerful.

Why the change was necessary

By far the most important part of this change is the part which affects the communist world. So far, it seems to have worked. No dissident has been arrested by the Soviet police since President Carter's letter to Mr Sakharov was made public. The senior Rumanian politician who called on Mr Carter last week came anxious to argue that his government was not as intolerant of opposition as the president might have been led to believe. The first indignant communist protests against Mr Carter's expressions of interest in liberty have been followed by a calmer Pravda article saying that detente will survive temporary disagreements. This does not necessarily mean that the Soviet government and its allies have decided to let Mr Carter interpose himself between them and their dissidents.

They are probably still trying to make up their minds what to do with the new American outspokenness about political repression. So they need to understand why it has happened.

The starting point of the new administration's new look at Russia is the realisation that American opinion deeply mistrusts the Soviet Union, and strongly dislikes a policy of silence about its internal repression. Mr Kissinger's failure to take these feelings into account undermined his whole Soviet strategy throughout 1976. Mr Carter wants to do business with Russia. He is looking for a major reduction in the two superpowers' nuclear armouries in the 1980s, and he would like to foster the sort of economic relationship between Russia and the west which might eventually help to civilise Soviet behaviour. These things are the useful core of that misty word "detente". But the president knows that his own public opinion may not allow him to pursue these policies unless it is satisfied that he has got the measure of the darker side of Russia, and is prepared to criticise what Americans want to hear criticised.

His decision to speak out on behalf of the dissidents is therefore a means of getting a grip on the growing public distaste for Soviet conduct. But it is also a means of winning a hold on Russia itself. For Mr Carter also realises that American public opinion will not be satisfied if his brave words in support of the dissidents turn out to be nothing more than brave words. If the Soviet government, after a pause for reflection, resumes its campaign of harassment, imprisonment and expulsion against these people, the American electorate—and the American congress—may not be willing to support even the residue of detente. This is where Mr Carter will want to show that he carries a stick; and why last week's cuts in aid to Ethiopia, Argentina and Uruguay should be noted in Moscow.

The hope is that Mr Brezhnev will catch the point without Mr Carter having to take further action. If the KGB eases its pressure on the dissidents—as it can probably afford to, since this beleaguered cluster of intellectuals poses no immediate threat to the Soviet

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Carter asks more from Russia than Kissinger did

regime—Mr Carter will have less cause for criticism, and the whole issue will become less important. If the KGB proceeds on its repressive way, on the other hand, Mr Carter's criticism will continue; there will be even less public support in America for any sort of agreement with Russia; and Mr Carter will carry his pressure a step farther.

This step will consist of measuring the help the United States is willing to give to the Soviet economy against the way the Soviet government behaves. A mechanism will be set up to co-ordinate the actions of all the different departments of the American government which have a say in the supply of American technology to the Soviet world. No song and dance will be made about this: the operation may not even require a separate office of its own; and if a communist country finds that it is not getting the American technology it wants it will not necessarily be told why. But America is still the source of the world's most sophisticated industrial equipment, and the communist governments will find that their access to that equipment will depend to some extent both on the way they treat their people and on their conduct outside their frontiers.

Beyond this there are some other, more speculative, ideas. This check-and-control system may be extended, for example, to the flow of American credit to the communist economies; and an attempt may be made to get America's main allies, in Europe and Japan, to join in the whole operation. That will not be easy, at a time when selling things on credit to Russia is one way of keeping people in jobs in an unemployment-burdened western world. But it is a possibility farther down the road if the Soviet government does not change its policies.

Linkage redefined

So "linkage" is not dead after all; it has merely been redefined. The Carter administration does not believe there is a linkage between issues of political morality, such as the treatment of Soviet dissidents, and rock-bottom issues of national self-interest like arms control. If Mr Brezhnev decides that he and Mr Carter can reach a Salt-2 agreement on nuclear weapons which meets both sides' interests, and prevents both of them having to spend even more money on nuclear arms, he will sign it. He will not reject a deal on which he says the safety of the world depends out of pique about Mr Carter's friendliness to Messrs Sakharov and Bukovsky.

But the principle of linkage does still apply, the Americans believe, in a different field. It can be made to work in the relationship between the Soviet government's need for western economic help and its handling of dissenters at home and crisis areas abroad. If it handles these matters less aggressively than it has done recently, it will find the economic help flowing more generously; a way may even be found around the roadblock Senator Jackson has put in the way of American credits. If it does not change, it will not benefit.

This is in effect the proposition President Carter has put to Mr Brezhnev. More Angolas, more dissidents in prison: less economic co-operation. More self-restraint abroad, a little more relaxation at home: and the Soviet economy will benefit. Mr Brezhnev and his politburo will need time to make up their minds about it. They are old men, unaccustomed to thinking through new problems quickly. No doubt there will be an argument between the relative hardliners and the relative moderates, though too much should not be made of that; the Soviet politburo is too disciplined a body to permit the range of opinions which flourish inside a democratic cabinet.

Let them cruise?

The first test of Russia's response will come in its answer to Mr Carter's proposal in the matter of nuclear weapons. For Mr Carter has not only changed the Kissinger line on Soviet repression; he has also changed the Kissinger line on the second round of strategic arms limitation talks, Salt-2.

The Salt-2 deal that Mr Carter would like to sign this year would be a straight ratification of the understanding President Ford reached with Mr Brezhnev at Vladivostok in 1974—2,400 long-range missiles and bombers for each side, 1,320 of them with multiple warheads—with no limits on the new hedge-hopping cruise missile the Americans are developing. After Vladivostok, the Russians tried to insist that the Americans should ration their cruise missiles too. Mr Kissinger was willing to agree, in return for a limit on the Russians' new medium-range Backfire bomber, but was overruled by Mr Ford. It looks as if Mr Carter now wants, preferably, no restrictions on cruise missiles or Backfires at all; failing that, an agreement to defer discussion of both of them to a Salt-3 deal, to be negotiated later on; or, at the very least, a more generous allowance of cruise missiles in this year's Salt-2 than Mr Kissinger was willing to insist on.

Here again the Russians face a difficult decision. True, their new Backfire bomber is a handy addition to their nuclear armoury. It can carry its bombs to the United States, if it is refuelled in the air; and it poses a major problem for the countries of western Europe. But the cruise missile holds out even bigger advantages for the United States. Its guidance system is accurate to within a matter of yards over a range of hundreds of miles. It is relatively cheap, and can be fired from ships, aircraft, barges and patches of concrete hidden behind hedges. Above all, it would give the Americans a sure second-strike capability: that is, the assurance that even if Russia launched a surprise nuclear attack America would still be able to reply with a counter-attack that would obliterate Russia's missile silos and

both her hands before they could be used again.

That is why the Russians set out to persuade Mr Kissinger to settle for a very modest ration of cruise missiles. And the Russians' declared opposition to this weapon is presumably why Mr Carter's change of policy about it was greeted with raised eyebrows by some of the second-rank advisers in his newly formed administration. But Mr Carter may win over the Washington doubters: not only because he is, after all, the president, but because the case for America having a fairly substantial number of cruise missiles is a powerful one.

This weapon is the best available way for America to make up for the fact that Russia has recently pulled ahead in most aspects of the nuclear numbers game. The Russians now possess more missiles, and bigger ones. Even on the terms outlined at Vladivostok in 1974, they will before long probably be able to launch more, and bigger, warheads against America than the other way round. The danger—not an immediate one, but one that needs action soon if it is to be prevented—is that Russia might one day be able to launch an attack on America which would destroy enough of America's nuclear weapons to leave the president with the

appalling choice of either (a) using his remaining missiles and bombers in a mutual massacre of civilian populations or (b) accepting the fait accompli. President Carter does not want to risk facing such a choice. To possess a sizeable armoury of cruise missiles is the best way of avoiding it.

Six weeks after taking office, Mr Carter has changed the shape of the bargaining with Russia. Last year, the Soviet government might reasonably have thought that it would be able to consolidate its lead in nuclear weapons; that it could suppress its dissidents without official American displeasure; that actions like the one in Angola might lead to protests, but no penalties; and, with all this, that it could still enjoy the benefits of economic co-operation with the United States. In the past six weeks, Mr Carter has shown that he wants a better nuclear equation, and that those hopes of economic co-operation will be linked to the way the Soviet government behaves at home and abroad. The Carter policy depends on some cool judgments in Washington, and no relapse into blinkered belligerence in Moscow. If it works, the world could become a little more stable and, who knows, Russia a slightly more tolerant place to live in.

THE WHITE HOUSE
WASHINGTON

March 15, 1977

Jim Schlesinger

My memorandum of March 14 concerning Secretary Andrus memo on Natural Gas was returned in the outbox. The original letter from Secretary Andrus is sent to you for appropriate handling.

Rick Hutcheson

cc: Jack Watson

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

INFORMATION

14 March 1977

TO:

THE PRESIDENT

FROM:

RICK HUTCHESON *RH*

SUBJECT:

Memoranda Not Submitted

1. ANDRUS MEMO ON NATURAL GAS. Secretary Andrus outlined several options for making more natural gas available. Dr. Schlesinger commented that "it would not be useful for the President to be asked to react to this particular proposal in isolation from oil pricing policy, conservation policy and other elements of energy policy." Watson agrees; therefore, the memo was submitted to Schlesinger for inclusion in his more comprehensive memorandum. *C*

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for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

March 14, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: JACK WATSON *Jack*
RE: CECIL ANDRUS' MEMORANDUM ON
NATURAL GAS

Cecil has outlined several options for making more natural gas available. In reviewing the suggestions, Jim Schlesinger comments "it would not be useful for the President to be asked to react to this particular proposal in isolation from oil pricing policy, conservation policy and other elements of energy policy."

Thus, I am forwarding the memorandum to Jim for inclusion in and submission as part of his more comprehensive memorandum to you.

EXECUTIVE OFFICE OF THE PRESIDENT
ENERGY POLICY AND PLANNING
WASHINGTON, D.C. 20500

March 9, 1977

MEMORANDUM FOR:

JACK WATSON

FROM:

JIM SCHLESINGER *JS*

SUBJECT:

Cecil Andrus Memorandum

Secretary Andrus' memorandum deals with one of the most difficult and sensitive pieces of a comprehensive energy program on which we are hard at work. It would not be useful for the President to be asked to react to this particular proposal in isolation from oil pricing policy, conservation policy and other elements of energy policy.

In these circumstances I hesitate to comment on the merits of the proposal. The ideas in the memorandum are not novel and have been considered in preparing the options for the President.



THE SECRETARY OF THE INTERIOR
WASHINGTON.

March 4, 1977

MEMORANDUM TO THE PRESIDENT

From: The Secretary of the Interior

Subject: Natural Gas Proposals, March 4, 1977

Our energy problems are accute but solvable. While we request that the long term solution must involve solar, geothermal, thermal, nuclear, and other sources, the short term emphasizes maximum domestic production of oil and gas and strict conservation efforts while we are converting to coal. In order that we accelerate the availability of natural gas, a mutual friend of ours has suggested the following:

PROBLEM

1. More natural gas must be developed for the interstate pipeline distribution system.
2. There should be economic incentives for industrial natural gas users to shift to alternate fuels.
3. Existing intrastate contracts contain "Favored Nations" clauses which are triggered where higher wellhead prices are paid in specific areas.
4. Provision should be made for funding economic relief where required as a result of higher natural gas prices for the consumer.
5. Because of the supply/demand imbalance existing in the interstate gas market, new natural gas policy should contain safeguards to prevent price "gouging."

SOLUTION

1. Remove federal regulations (except for a requirement that contracts be filled with the Executive Branch prior to the actual delivery of natural gas

under the contract) applying to "new" natural gas ("new" natural gas being defined as natural gas from wells completed after _____), both onshore and offshore for a period of five years.

2. Create aggressive development of potential gas acreage dedicated to old contracts by allowance escalation of the price of "old" natural gas (Now \$1.47) at the rate of 15% per calendar year. This is necessary to insure development of new wells in old leases now dedicated to interstate markets. Because new wells are presently held at the old lease price, there is no incentive to drill new wells.

3. The average price of natural gas in the interstate pipeline system will escalate slowly at first and more rapidly in the next two years as more higher priced natural gas enters the system. Natural gas supplies will be increased for higher priority users as industrial users shift to alternate fuels.

4. New regulations must stipulate that favored nations clauses in intrastate gas contracts cannot be triggered by wellhead prices paid for natural gas entering the interstate market.

5. An excise tax in excess of 50% shall be imposed (and paid by the producer without pass-through) on revenue in excess of \$2.25/mcf realized from the sale of new natural gas at the wellhead. The \$2.25 price ceiling shall be increased at the rate of 15% per year.

Revenue from this excise tax shall be used to fund economic relief where needed as a result of the higher natural gas prices. This would include low interest or no interest loans for conversion from natural gas as a boiler fuel for large users. It could also be used to aid low and middle income residential users who need relief.

6. The President shall have the specific authority to reimpose a price ceiling of not less than \$2.25/mcf, escalating at the rate of 15% per year, if in his judgment the wellhead prices resulting from this legislation are excessive. Such actions, however, cannot be retroactive and will have no effect on contracts entered into prior to the order.

1145 AM

THE PRESIDENT HAS SEEN,

THE WHITE HOUSE

WASHINGTON

June 15, 1977

PHOTO SESSION WITH REP. WES WATKINS AND FAMILY

Thursday, June 16, 1977

11:45 a.m. (10 minutes)

The Oval Office

From: Frank Moore *JM*

I. PURPOSE

To be photographed with Rep. Wes Watkins and his family.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

Background: When the President was campaigning, he promised Wade Watkins, Rep. Watkins' son, that he could come visit him in the White House. Last Thursday, Rep. Watkins brought a letter from his son to the President asking for a date for the meeting. Rep. Watkins was first elected in 1976 with 82% of the vote. He is on the Banking, Finance and Urban Affairs Committee, and the Science and Technology Committee. One of the water projects, Lukfata Lake, which was deleted from the budget, is in his district. Watkins has been fighting us on this issue. He is also one of the proponents of the B-1 Bomber who attended last week's meeting.

Participants: The President, Rep. Watkins, Lou Watkins (Mrs. Watkins), Sally (age 16), Martha (age 8), and Wade (age 6).

Press Plan: White House photographer only.

III. TALKING POINTS

1. Sally has just finished Girls State in Oklahoma.
2. Martha and Wade will be in town for June and July and have been sightseeing a great deal. They will probably want to talk about it.

THE WHITE HOUSE
WASHINGTON

3-15-77

To Pat Boone

You don't owe me
any apology, but it
is gracious of you to
offer it.

Your brother in Christ,
Jimmy Carter

✓

THE WHITE HOUSE
WASHINGTON

March 15, 1977

Frank Moore

Please handle the delivery of the
attached note to Senator Moynihan.

Rick Hutcheson

cc: Marge Wicklein

THE WHITE HOUSE
WASHINGTON

3-15-77

To Pat Moynihan

Thanks for the book,
which I'll use to
decipher New York.
Have a safe time
with The Sons of
St. Patrick.

Jimmy

DANIEL P. MOYNIHAN
NEW YORK

THE PRESIDENT HAS SEEN.

United States Senate

WASHINGTON, D.C. 20510

9

March 11, 1977

Dear Mr. President:

This is to beg leave not to be on hand to greet you when you arrive in New York Thursday evening. It will be March seventeenth, and as it happens I am to address, that evening, the 193d Anniversary Dinner of The Society of the Friendly Sons of St. Patrick:

You will find a description of the dinner on page 254 of Beyond The Melting Pot, which I send you in the thought that you might one day find time to savor the further complexities of our town. I sent it over to President Kennedy when it came out years ago. He read it one weekend, but never let on what his reaction was. I expect he may have thought it was too candid. Today it would be thought too timid. It stays in print because no real successor has yet appeared.

Respectfully,

PAT M.

The President
The White House
Washington, D. C.

THE WHITE HOUSE
WASHINGTON

3-15-77

To Thomas Mackenzie Fallows

I am proud to have
you as one of our new
citizens. Congratulations on
your arrival in our great
nation. Your father Jim
was working with me late
last night to help ex-
plain what our Country
is and what it stands
for. Come by to see me
when you can.

Your friend,
Jimmy Carter

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

C
/

INFORMATION

15 March 1977

TO:

THE PRESIDENT

FROM:

RICK HUTCHESON

SUBJECT:

Memoranda Not Submitted

1. EIZENSTAT MEMO reporting that Tom Joe will be paid as a consultant to HEW for 100 days, taking him through the May 1 deadline for options on welfare reform. Tom will participate in all deliberations of Califano's Welfare Agency Group, and will be available for consultation with Stu's staff, as well. Tom will be paid more than he could have made on the White House staff, and Stu reports him very pleased with the arrangement. ✓
2. LANCE MEMO on Intelligence Community Staff Budget. At NSC's suggestion, I am holding until the Policy Review Committee/Intelligence makes a recommendation next week on Administration reaction to a House Appropriations Committee reduction of the IC Staff from 196 to 160. *give me later*
3. JULE SUGARMAN MEMO suggesting that you refrain from promising no demotions or disruptions as a result of reorganization--serious reorganization will inevitably impact some employees adversely. Memo was sent to CSC Chairman-designate per Hamilton's suggestion. ✓

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THE WHITE HOUSE
WASHINGTON

| ACTION | FYI |
|--------|-----------|
| | MONDALE |
| | COSTANZA |
| | EIZENSTAT |
| | JORDAN |
| | LIPSHUTZ |
| | MOORE |
| | POWELL |
| | WATSON |

| | |
|---|---------------------------|
| | FOR STAFFING |
| | FOR INFORMATION |
| X | FROM PRESIDENT'S OUTBOX |
| | LOG IN/TO PRESIDENT TODAY |
| | IMMEDIATE TURNAROUND |

| | |
|--|---|
| | ENROLLED BILL |
| | AGENCY BILL |
| | Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day. |

| | |
|--|---|
| | CAB DECISION |
| | EXECUTIVE ORDER |
| | Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day. |

| ACTION | FYI |
|--------|--------------|
| | ARAGON |
| | BOURNE |
| | BRZEZINSKI |
| | BUTLER |
| | CARP |
| | H. CARTER |
| | CLOUGH |
| | FALLOWS |
| | FIRST LADY |
| | GAMMILL |
| | HARDEN |
| | HOYT |
| X | HUTCHESON |
| | JAGODA |
| | KING |
| | KRAFT |
| | LANCE |
| | LINDER |
| | MITCHELL |
| | POSTON |
| | PRESS |
| | B. RAINWATER |
| | SCHLESINGER |
| | SCHNEIDERS |
| | SCHULTZE |
| | SIEGEL |
| | SMITH |
| | WELLS |
| | VOORDE |

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

INFORMATION

15 March 1977

TO:

THE PRESIDENT

FROM:

RICK HUTCHESON

SUBJECT:

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THE WHITE HOUSE
WASHINGTON

1200
Summary sent
in

THE WHITE HOUSE

WASHINGTON

March 14, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

Stu

SUBJECT:

Tom Joe

After extensive negotiations with Joe Califano and his staff and with myself and my staff, Tom Joe and we have come to terms on a contract under which Tom will be a consultant for 100 days, which will take him through the May 1 date for submission of options on welfare reform.

Under the contract, which will permit Tom to remain at Lewin and Associates, Tom will be paid considerably more than he could have made on the White House Staff. He will also be paid for a full-time assistant and one secretary. HEW will pay Tom as a consultant and Tom will participate in all deliberations of the Welfare Agency Group which Secretary Califano has established.

Tom will also make himself available for consultation with our domestic policy staff.

Tom appears to be very pleased with this arrangement which gives him both the input he desires, but the advantages, salarywise and otherwise, of remaining in private practice. Tom will have the added advantage of having full access to HEW's computer capabilities.

THE WHITE HOUSE
WASHINGTON

*How about
Tom as a consultant -
(full time) until 5/11,
then hire him in
if "subsumation" is
adequate*

MEMORANDUM FOR: THE PRESIDENT
FROM: Stu Eizenstat *Stu*
SUBJECT: Tom Joe

Please permit me to fill you in on Tom Joe's situation.

Both Secretary Califano and I felt that Tom would be better off working in HEW on welfare reform rather than at the White House, because a) Tom would have a substantial backup staff of professionals to assist him at HEW, which he would not have here; b) by being at HEW Tom could coordinate closely with Henry Aaron, who Secretary Califano put in charge of the Welfare Reform Project, and would be on the Interagency Committee, which Secretary Califano has created; c) by having him at HEW there would be no possibility of future White House-HEW conflict over welfare reform.

Secretary Califano had offered Tom a position at HEW and it is my understanding that Tom will turn this position down, because he is interested in working on the White House staff.

Secretary Califano has indicated to me his concern that if Tom is on the White House staff he will use his position as a vehicle to push his own welfare reform ideas. Mr. Califano believes that the objective analyses of the various welfare proposals rather than having a person with a set position on the issue.

I have talked with Tom personally and over the telephone on numerous occasions within the last two weeks.

Tom feels strongly that he can be useful at the White House and that he would be able to subsume his personal views on welfare reform and be an objective analyst of all options.

Given the fact that he has turned down the HEW option there are essentially two possibilities:

- 1) Offer Tom a position on the Domestic Policy staff of the White House.

- 2) Make Tom a full-time consultant to the White House Staff and/or HEW on welfare reform, social security and other matters.

I would like your thoughts on either of these two options.

I should add that Secretary Califano has made a good-faith effort to encourage Tom to join HEW.

THE WHITE HOUSE
WASHINGTON

Rick -

Lan Gilson X7182 --- Jack Watson's
office
called re memo from Julie Sugarman
re: Federal Employment wanted to
know the status. File is attached.

Trudy

3/25/77

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

INFORMATION

15 March 1977

TO:

THE PRESIDENT *nh*

FROM:

RICK HUTCHESON

SUBJECT:

Memoranda Not Submitted

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2. LANCE MEMO on Intelligence Community Staff Budget. At NSC's suggestion, I am holding until the Policy Review Committee/Intelligence makes a recommendation next week on Administration reaction to a House Appropriations Committee reduction of the IC Staff from 196 to 160. *give me later*
3. JULE SUGARMAN MEMO suggesting that you refrain from promising no demotions or disruptions as a result of reorganization--serious reorganization will inevitably impact some employees adversely. Memo was sent to CSC Chairman-designate per Hamilton's suggestion. ✓

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THE WHITE HOUSE
WASHINGTON

*Held
Summary sent in*

THE WHITE HOUSE
WASHINGTON

Hamilton:

We've been holding a
Jule Sugarman memo on
the CSC for 10 days, as
you requested, pending
appointment of the new
CSC director. What's
the status of that now?

(I've got a summary of
Jule's memo prepared
by Jack which is far
more acceptable.)

Rick

*We have new
Chair of man
should be delayed
or set to new
Chairman.
7)*

THE WHITE HOUSE

WASHINGTON

March 4, 1977

MEMORANDUM FOR: RICH HUTCHESON
FROM: JACK WATSON *Jack*
RE: JULE SUGARMAN MEMORANDUM

I suggest that the following be substituted for the attached:

A memorandum from Jule Sugarman, transition liaison officer for the Civil Service Commission, makes several points about your remarks on the impact of reorganization and down-gradings of employees.

1. In the future, you should distinguish routine government changes from those under the reorganization act.* The former may well result in geographical relocations or terminations -- e.g., as a result of a program cut-back.

2. Refrain from promising no demotions or disruptions as a result of your proposed reorganization. Serious reorganization will inevitably impact some employees adversely.

Sugarman suggests you direct the Civil Service Commission to review thoroughly existing law and policy with the twin objectives of (a) minimizing any adverse effects on employees and (b) assuring that personnel policies are supportive of effective reorganization. This work is underway, but it would be well to show employees that you are setting machinery in motion to protect them.

Attachment

*Pursuant to the new Congressional authority or to reorganizations requiring separate Congressional authority.

THE WHITE HOUSE

WASHINGTON

Date: March 2, 1977

MEMORANDUM

FOR ACTION:

Bert Lance — *concurs*
Stu Eizenstat
Hamilton Jordan
Bob Lipshutz
Jack Watson

FOR INFORMATION: The Vice President
Jody Powell

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Jule Sugarman memo 3/2/77 re Civil Servants
and Reorganization.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 5:00 P.M.

DAY: Friday

DATE: March 4, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

*Alan Campbell
LBJ School*

*Held 4/1
Mar 14
per HJ
instructions*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

IN REPLY PLEASE REFER TO

YOUR REFERENCE

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Civil Servants and Reorganization

During your appearances before Federal employees you have been asked several questions about the impact of reorganization and downgradings on employees. Your responses are being heard as a promise that nobody will lose their job, suffer any reduction in salary, have to move to another location or lose any authority or stature. The Commission and agency officials have received numerous phone calls already asking us to stop minor reorganizations or planned staff moves. In addition, employees are demanding that the Commission immediately stop all downgrading of positions. The Commission for the last two (2) years has been pushing agencies very hard to reduce jobs which were overgraded.

We think you intended your remarks to apply only to those major reorganizations stemming from the reorganization act, but the following list indicates other situations which people are raising. If we are wrong please indicate below.

- | | <u>Remarks Apply</u> |
|---|---|
| (1) Contracting out to the private sector of Federal activities; for example, the planned elimination of the Naval Photographic Center in Washington. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (2) Closing of bases or program cut-backs which are not associated with reorganization. (People may have to move to other communities, so we cannot imply they will not be hurt.) | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (3) Reorganizations of a routine intra-departmental nature which are not the result of your reorganization initiatives. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (4) Routine downgradings resulting from position classification reviews unrelated to reorganization. | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Reorganizations Under the New Act

We believe that serious reorganization is going to dislocate

THE MERIT SYSTEM—A GOOD INVESTMENT IN GOOD GOVERNMENT

people geographically, in terms of status and in many cases in terms of opportunities for increases in pay or promotions. It is going to develop pockets of people for whom there is no need or for whom there is no easy placement, particularly at field installations.

The laws which govern how this will happen are designed to assure equitable treatment and to cushion the effect of adverse actions through early retirement, retained pay and severance pay. I am sorry to say that these same laws also may make it very hard to get the right people into place in a new organization. Similarly they are very likely to disproportionately hurt younger people, minorities and women who have only recently gained a place in the Federal establishment. Finally, there are a great many collective bargaining agreements which will have an impact on how reorganization takes place.

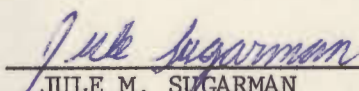
I recommend that three actions be taken at this point:

- | | |
|--|-------------------------------|
| (1) <u>Direct the Civil Service Commission to thoroughly review existing law and policy with the twin objectives of (a) minimizing any adverse effects on employees and (b) assuring that personnel policies are supportive of effective reorganization.</u> | Agree _____ Disagree _____ |
|--|-------------------------------|

This work is underway, but it would be well to show employees that you are setting machinery in motion to protect them.

- | | |
|--|-------------------------------|
| (2) Direct that the cabinet be briefed and given an accurate version of your views. | Agree _____ Disagree _____ |
| (3) In the future distinguish routine government changes from those under the reorganization act. Promise only that employees will have priority on other jobs. Tell employees that organizational changes <u>will</u> require changes in their work and urge them to see these as (a) opportunities for increasing the long term value of their work and (b) necessitating hard work on their part to learn new roles and responsibilities quickly. | Agree _____ Disagree _____ |

I would not promise no demotions or disruptions of their lives.



JULIE M. SUGARMAN
Transition Liaison Officer

March 2, 1977

Date: March 2, 1977

MEMORANDUM

FOR ACTION:

Bert Lance
Stu Eizenstat
Hamilton Jordan
Bob Lipshutz
Jack Watson

FOR INFORMATION: The Vice President
Jody Powell

MAR 3 9 24 AM '77
IMMEDIATE OFFICE
OF THE DIRECTOR

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Jule Sugarman memo 3/2/77 re Civil Servants
and Reorganization.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 5:00 P.M.

DAY: Friday

DATE: March 4, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

We have indicated our recommended response on the attached memorandum.

Mr. Preston called Hutcheson &
indicated Mr. Lance generally
concurred with the Sugarman
memo

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



UNITED STATES CIVIL SERVICE COMMISSION

IN REPLY PLEASE REFER TO

WASHINGTON, D.C. 20415

YOUR REFERENCE

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Civil Servants and Reorganization

During your appearances before Federal employees you have been asked several questions about the impact of reorganization and downgradings on employees. Your responses are being heard as a promise that nobody will lose their job, suffer any reduction in salary, have to move to another location or lose any authority or stature. The Commission and agency officials have received numerous phone calls already asking us to stop minor reorganizations or planned staff moves. In addition, employees are demanding that the Commission immediately stop all downgrading of positions. The Commission for the last two (2) years has been pushing agencies very hard to reduce jobs which were overgraded.

We think you intended your remarks to apply only to those major reorganizations stemming from the reorganization act, but the following list indicates other situations which people are raising. If we are wrong please indicate below.

- | | <u>Remarks Apply</u> |
|---|---|
| (1) Contracting out to the private sector of Federal activities; for example, the planned elimination of the Naval Photographic Center in Washington. | <div><div><input checked="" type="checkbox"/></div>Yes <div><input checked="" type="checkbox"/></div>No</div> |
| (2) Closing of bases or program cut-backs which are not associated with reorganization. (People may have to move to other communities, so we cannot imply they will not be hurt.) | <div><div><input checked="" type="checkbox"/></div>Yes <div><input checked="" type="checkbox"/></div>No</div> |
| (3) Reorganizations of a routine intra-departmental nature which are not the result of your reorganization initiatives. | <div><div><input checked="" type="checkbox"/></div>Yes <div><input checked="" type="checkbox"/></div>No</div> |
| (4) Routine downgradings resulting from position classification reviews unrelated to reorganization. | <div><div><input checked="" type="checkbox"/></div>Yes <div><input checked="" type="checkbox"/></div>No</div> |

Reorganizations Under the New Act

We believe that serious reorganization is going to dislocate

THE MERIT SYSTEM—A GOOD INVESTMENT IN GOOD GOVERNMENT

people geographically, in terms of status and in many cases in terms of opportunities for increases in pay or promotions. It is going to develop pockets of people for whom there is no need or for whom there is no easy placement, particularly at field installations.

The laws which govern how this will happen are designed to assure equitable treatment and to cushion the effect of adverse actions through early retirement, retained pay and severance pay. I am sorry to say that these same laws also may make it very hard to get the right people into place in a new organization. Similarly they are very likely to disproportionately hurt younger people, minorities and women who have only recently gained a place in the Federal establishment. Finally, there are a great many collective bargaining agreements which will have an impact on how reorganization takes place.

I recommend that three actions be taken at this point:

- (1) Direct the Civil Service Commission to thoroughly review existing law and policy with the twin objectives of (a) minimizing any adverse effects on employees and (b) assuring that personnel policies are supportive of effective reorganization.
- Agree X
Disagree

This work is underway, but it would be well to show employees that you are setting machinery in motion to protect them.

- (2) Direct that the cabinet be briefed and given an accurate version of your views.
- Agree X
Disagree
- (3) In the future distinguish routine government changes from those under the reorganization act. Promise only that employees will have priority on other jobs. Tell employees that organizational changes will require changes in their work and urge them to see these as (a) opportunities for increasing the long term value of their work and (b) necessitating hard work on their part to learn new roles and responsibilities quickly.
- Agree X
Disagree

I would not promise no demotions or disruptions of their lives.

Jule Sugarman
JULE M. SUGARMAN
Transition Liaison Officer

March 2, 1977

OFFICE OF MANAGEMENT AND BUDGET
ROUTE SLIP

TO Mr. Wellford

- | | |
|-----------------------|--------------------------|
| Take necessary action | <input type="checkbox"/> |
| Approval or signature | <input type="checkbox"/> |
| Comment | <input type="checkbox"/> |
| Prepare reply | <input type="checkbox"/> |
| Discuss with me | <input type="checkbox"/> |
| For your information | <input type="checkbox"/> |
| See remarks below | <input type="checkbox"/> |

FROM Ed Preston DATE 3/8/77

REMARKS

This is the kind of confusion we
were trying to head off. Did Peter
find out, or can you, what's holding
up the clarification memo?
Ed

Navy Dept. Employee Transfer-Firing Plan Is Assailed

By Jack Elsen

Washington Post Staff Writer

Only a few days after President Carter told federal workers that none would have their careers disrupted by government reorganization, the Navy Department decided recently to abolish an installation here and transfer, demote or fire 77 of its civilian employees.

The Washington area's six members in the House of Representatives protested the closing of the unit—the Naval Electronic Systems Engineering Center—in a joint letter sent yesterday to the Pentagon and the White House.

Of the 109 employees, an estimated 59 would be transferred to Portsmouth, Va., nine would be transferred

to Charleston, S.C., and nine others—workers in a machine shop would be fired as a result of what the government calls "reduction in force," or RIF. Another 32 workers would be transferred to another Washington office.

The decision to shut the center, which occupies an industrial-type building at the historic Navy Yard in Southeast Washington, was made late last month by Navy Secretary W. Graham Claytor Jr., a Carter appointee and former board chairman of the Southern Railway System.

It was announced in a directive signed Feb. 22 by Rear Adm. E. B. Fowler, commander of the Naval Electronic Systems Command. Although the action takes effect March 31, the

actual shift of personnel would not be completed until June 30.

The letter, drafted by Rep. Gladys N. Spellman (D-Md.), did not seek an outright reversal of the move, but asked Claytor to defer the shift "until your office has reviewed this situation to make it consistent with the avowed policies of the new administration."

Last year, Mrs. Spellman fought unsuccessfully to block the Ford administration's move of 1,300 Naval Oceanographic Office employees from Suitland to Bay St. Louis, Miss.

On the impending closure issue, Mrs. Spellman cited statements the President made to government workers in a round of visits to several departments last month.

At the Commerce Department on

Feb. 9, for example, he said: "... Changes in the structure of government will not adversely affect your own careers under any circumstances. If it ever does, you contact me directly..."

A Navy Department spokesman, asked how the action squared with the President's statements, said the Navy "is not in receipt of any directive that prohibits reductions in force." He said the closure had been under consideration since last June.

The "disestablishment" of the unit, which has the Navy code name NAVLEXSYSENGCEN, was "made necessary because of continuing reductions in civilian (employment) ceiling available... to carry out mission responsibilities," Fowler wrote. He said

many alternatives to the closure were considered during the long period prior to Claytor's final decision.

In the letter sent to Claytor, with copies to the President and to Defense Secretary Harold Brown, the members of the Metropolitan Washington caucus in the House said the closure was "initiated in a fashion which adds to our apprehension in behalf of the employees."

"The employees received notice of this relocation and RIF only in the past week; yet they must indicate their intentions by March 31, 1977," the letter asserted.

"Those who will be subject to a RIF have, of course, been given no other options. Those who might be subject to downgradings (demotions) have not

been fully informed, as of this date."

The letter noted that many of the workers are middle-aged persons who have lived in or around Washington most of their working lives.

In addition to Mrs. Spellman, the letter was signed by Reps. Joseph L. Flaker (D-Va.), Herbert E. Harris (D-Va.), Newton I. Steers (R-Md.) and Marjorie S. Holt (R-Md.) and Del. Walter E. Fauntroy (D-D.C.), the caucus chairman.

On another matter, the caucus agreed to meet with Federal Aviation Administration officials to insist upon creating an effective shuttle bus system to carry people between the National Airport terminals and the Metro station when train service starts there July 1.

March 2, 1977

38

FOR ACTION:

Bert Lance
Stu Eizenstat
Hamilton Jordan
Bob Lipshutz
Jack Watson

FOR INFORMATION: The Vice President
Jody Powell

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Jule Sugarman memo 3/2/77 re Civil Servants
and Reorganization.

**YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:**

TIME: 5:00 P.M.

DAY: Friday

DATE: March 4, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

*I would hold this up for the being -
CSC decisions are pending. President
needs to launch new chain with
instructions. These decisions can
wait for 10 days.*

TH

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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March 2, 1977

FOR ACTION:

Bert Lance
Stu Eizenstat
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Other:

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☒ No comment.

Please note other comments below:

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Date: March 2, 1977

MEMORANDUM

FOR ACTION:

Bert Lance
Stu Eizenstat
Hamilton Jordan
Bob Lipshutz
Jack Watson ✓

FOR INFORMATION: The Vice President
Jody Powell

BO
fy
Jane has
me also

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TO THE STAFF SECRETARY BY:

TIME: 5:00 P.M.

DAY: Friday

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ACTION REQUESTED:

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Other:

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UNITED STATES CIVIL SERVICE COMMISSION

IN REPLY PLEASE REFER TO

WASHINGTON, D.C. 20415

YOUR REFERENCE

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- | | <u>Remarks Apply</u> |
|---|---|
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| (2) Closing of bases or program cut-backs which are not associated with reorganization. (People may have to move to other communities, so we cannot imply they will not be hurt.) | <input type="checkbox"/> Yes <input type="checkbox"/> No |
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Reorganizations Under the New Act

We believe that serious reorganization is going to dislocate

THE MERIT SYSTEM—A GOOD INVESTMENT IN GOOD GOVERNMENT

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I recommend that three actions be taken at this point:

- (1) (1) Direct the Civil Service Commission to thoroughly review existing law and policy with the twin objectives of (a) minimizing any adverse effects on employees and (b) assuring that personnel policies are supportive of effective reorganization. Agree ☐
Disagree ☐

→ This work is underway, but it would be well to show employees that you are setting machinery in motion to protect them.

- (2) Direct that the cabinet be briefed and given an accurate version of your views. Agree ☐
Disagree ☐

- (1) (3) In the future distinguish routine government changes from those under the reorganization act. Promise only that employees will have priority on other jobs. Tell employees that organizational changes will require changes in their work and urge them to see these as (a) opportunities for increasing the long term value of their work and (b) necessitating hard work on their part to learn new roles and responsibilities quickly. Agree ☐
Disagree ☐

- (3) Refrain from I would not promise no demotions or disruptions of their lives.

as a result of reorganization.

Jule Sugarman
JULE M. SUGARMAN
Transition Liaison Officer

March 2, 1977

Levy J. Green

THE WHITE HOUSE
WASHINGTON

Frank Dore

Suzo-man memo

Sat or Mon

2/24

Date: February 23, 1977

original
MEMORANDUM

FOR ACTION:

Stu Eizenstat
Jack Watson
Richard Harden

FOR INFORMATION:

The Vice President
Bob Lipshutz
Jody Powell
Frank Moore

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Memo from Civil Service Commission
re: Downgradings

**YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:**

TIME: 11 A. M.

DAY: Friday

DATE: February 25

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

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THE WHITE HOUSE
WASHINGTON

| ACTION | FYI | |
|--------|-----|-----------|
| | X | MONDALE |
| | | COSTANZA |
| X | | EIZENSTAT |
| | | JORDAN |
| | X | LIPSHUTZ |
| | X | MOORE |
| | X | POWELL |
| X | | WATSON |

- ☒ FOR STAFFING
☐ FOR INFORMATION
☐ TO PRESIDENT
TODAY

| ACTION | FYI | |
|--------|-----|--------------|
| | | ARAGON |
| | | BOURNE |
| | | BRZEZINSKI |
| | | BUTLER |
| | | H. CARTER |
| | | CLOUGH |
| | | FALLOWS |
| X | | HARDEN |
| | | HOYT |
| | | KRAFT |
| | | B. MITCHELL |
| | | B. RAINWATER |
| | | SCHLESINGER |
| | | SCHNEIDERS |
| | | SIEGEL |
| | | T. SMITH |
| | | WELLS |
| | | VOORDE |



UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

IN REPLY PLEASE REFER TO

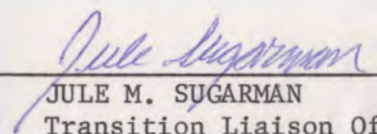
YOUR REFERENCE

MEMORANDUM FOR THE PRESIDENT

When you met HEW's employees you were asked about downgradings. The situation is that over the years there has been a great deal of overgrading. CSC began to correct this about two years ago and an extensive campaign is now under way. It is estimated that downgradings could affect 10-20% of the Federal work force. Any re-organizations taking place in the future may increase this number.

When an agency downgrades a job the salary of the employee may be protected by the salary retention law. This law says that for career employees with two years of service at the old grade level their salary will not be reduced. In fact, in some cases they receive a small increase. They will be eligible for statutory increases including cost of living increases. They are not eligible for automatic step increases. However, their potentially highest salary will be lower than they could have anticipated in the old grade. In addition, under some circumstances their salary will be reduced after two years. In short, while there is no immediate loss of pay, most individuals will eventually earn less than they otherwise would have. Experience is that many longer term employees never are repromoted so that the downgrading does hurt.

The regulations in this area are very complex and while the above is generally true there are dozens of special circumstances which change the outcome. If asked this question in the future, I would recommend you simply reply that "employees are protected against downgradings by the salary retention laws."


JULE M. SUGARMAN
Transition Liaison Officer

February 22, 1977

THE MERIT SYSTEM—A GOOD INVESTMENT IN GOOD GOVERNMENT

THE WHITE HOUSE

WASHINGTON

February 25, 1977

MEMORANDUM FOR: RICK HUTCHESON
FROM: STU EIZENSTAT *Stu*
SUBJECT: MEMO FROM CIVIL SERVICE COMMISSION
RE: DOWNGRADINGS

I cannot concur with the Civil Service Commission's suggestion that you answer questions about downgrading by replying that "employees are protected against downgradings by the salary retention laws." Most receive such protection for only 2 years. After that time, they receive the salary of the lower grade, usually many thousands of dollars less than they were receiving before.

Downgradings will become a very serious problem when reorganization plans are submitted. Inevitably, reorganization will involve many downgradings. I recommend that the President direct the Civil Service Commission to study the feasibility of ways to change the downgrading laws so that employees will receive more protection. For example, they could be guaranteed their old salaries, but with no further in-grade, "step" increases. Or they could lose only some fraction of their salary, etc.

I believe that protection from downgrading -- at least within the context of reorganization plans -- would be important in building support for the President's efforts to reorganize the government.

Date: February 23, 1977

MEMORANDUM

FOR ACTION:

Stu Eisenstat
Jack Watson
Richard Harden

FOR INFORMATION:

The Vice President
Bob Lipshutz
Jody Powell
Frank Moore

123

xc: Carp
Schuman

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Memo from Civil Service Commission
re: Downgradings

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 11 A.M.

DAY: Friday

DATE: February 25

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: February 23, 1977

MEMORANDUM

2/23

FOR ACTION:

Stu Eizenstat
Jack Watson
Richard Harden

FOR INFORMATION:

The Vice President
Bob Lipshutz
Jody Powell
Frank Moore

RF

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Memo from Civil Service Commission
re: Downgradings

**YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:**

TIME: 11 A.M.

DAY: Friday

DATE: February 25

ACTION REQUESTED:

☒ Your comments

Other:

NO COMMENTS

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

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Date: February 23, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Jack Watson
Richard Harden

FOR INFORMATION:

The Vice President
Bob Lipshutz
Jody Powell
Frank Moore

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re: Downgradings

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TO THE STAFF SECRETARY BY:

TIME: 11 A.M.

DAY: Friday

DATE: February 25

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☒ No comment.

Please note other comments below:

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THE WHITE HOUSE

WASHINGTON

March 14, 1977

MEETING WITH SOL CHAIKIN, PRESIDENT, ILGW

Tuesday, March 15, 1977

2:45 p.m. (5 minutes)

The Oval Office

From: Margaret Costanza

MC

I. PURPOSE

To accept bound scrapbook containing photographs taken of the International Ladies Garment Workers Rally in New York City in October 1976. This is a memento of the campaign which could be forwarded to the National Archives to be preserved for its historic value.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: The International Ladies Garment Workers Union endorsed the President in early June of 1976. The Union organized the very successful rally in New York City on the Thursday prior to the General Elections.
- B. Participants: Sol Chaikin, Margaret Costanza, Landon Butler
- C. Press Plan: Photo pool.

III. TALKING POINTS

- 1. Mr. Chaikin will want to mention to the President the problem of import penetration on the textile and apparel industry. He has already spoken at length to Stu Eizenstat and Secretary Blumenthal on this matter.
- 2. The President has met with Mr. Chaikin on numerous occasions during the campaign and the inaugural. This will be the first time since the inauguration that he's had a conversation with Mr. Chaikin. The President may want to, once again, thank the International Ladies Garment Workers Union for their support.

3. Mr. Chaikin has invited the President to address their Annual Convention being held in Florida May 27 to May 30. In all likelihood, the Scheduling Department will have to regret.

THE WHITE HOUSE

WASHINGTON

MEETING WITH REPRESENTATIVES OF THE HOUSE/SENATE
DISTRICT OF COLUMBIA COMMITTEES

Tuesday, March 15, 1977

9:00 a.m. (10 minutes)

Cabinet Room

From: Bunny Mitchell

I. PURPOSE

To discuss District of Columbia issues.

II. BACKGROUND, PARTICIPANTS, PRESS PLAN

a. Background: House District Committee requested meeting to hear President's views on District of Columbia issues. Leaders of all House and Senate Committees with primary responsibility for the District of Columbia were invited to avoid holding additional meetings.

b. Participants:

The President

The Vice President (will begin the meeting at 8:30 a.m.)

House District of Columbia Committee:

Charles E. Diggs, Jr., (Michigan) Chairman

Stewart B. McKinney, (Conn.) Ranking Minority Member

Walter E. Fauntroy, (D.C.) Delegate to Congress

Ronald V. Dellums, (Calif.) Subcommittee Chair (Fiscal & Gov.

Romano Mazzoli, (Ky.) Subcommittee Chair (Judiciary) Affairs)

Herbert E. Harris, II, (Va.) Subcommittee Chair (Economic Dev./
Regional Affairs)

Senate Government Operations Committee
(D.C. Subcommittee)

Thomas F. Eagleton, (Mo.) Chairman, Government Efficiency and
District of Columbia Subcommittee

Charles McC. Mathias, Jr., (Md.) Ranking Minority Member

House - Appropriations, D.C. Subcommittee

William H. Natcher, (Ky.) Chairman
Clair W. Burgener, (Calif.) Ranking Minority Member

Senate - Appropriations Subcommittee

Patrick J. Leahy, (Vt.) Chair

White House Staff Members

Bunny Mitchell
Stu Eizenstat
Frank Moore
Jim Dyke
Doug Huron
Valerie Pinson
Kurt Schmoke

ADDITIONAL BACKGROUND INFORMATION REGARDING PARTICIPANTS:

Congressman Diggs: Key to passage of Home Rule Act; favors voting representation for D.C. in House (2 members); former supporter of Mayor Washington; very concerned with economic development issues.

Congressman McKinney: Supports commuter tax.

Congressman Fauntroy: Advocates full House/Senate voting representation for D.C.

Congressman Natcher: Former critic; more positive now towards city. Diehard on maintaining Congressional budget authority over D.C.

Senator Eagleton: Highly critical of D.C. fiscal systems; responsible for creating D.C. Audit Commission; feels city has too many employees.

III. TALKING POINTS:

1. Historic meeting. First time a President has been interested enough in the development of D.C. as a significant urban symbol to meet with relevant Congressional Committees.
2. Reinforce your support for Home Rule:
 - . Local government's handling of terrorists situation.
 - . Coordination of local resources during winter energy crisis.

3. Underscore importance of better coordination between federal agencies/D.C. government in resolving issues, e.g., transfer of St. Elizabeth's Hospital, reorganizing urban planning operations, financing Metro, restructuring methods of prosecuting local crimes.

(House District Committee wants an Executive Order requiring agencies to check impact of their decisions on D.C. -- three exist now -- agencies have ignored in past.)

4. Fiscal Matters. Sound fiscal planning/accountability systems crucial for city. Federal government should assume appropriate financial responsibility for projects it created for city (Pennsylvania Avenue Development Corporation, Employee Pension Fund, RFK Stadium). Creative approaches needed to broaden city's revenue base (regional tax, level and method of calculating federal payment).
5. Voting Representation in Congress. Requires a Constitutional amendment. Presidential support is desired.
6. Amendments to Home Rule Act. Presidential willingness to relinquish responsibility for local judicial appointments.

THE WHITE HOUSE

WASHINGTON

March 12, 1977

MEMORANDUM FOR:

The President

FROM:

Jack Watson *Jack*

SUBJECT:

Visit with Department of Labor Assistant Secretaries; Tuesday, March 15, 1977
2:30 - 2:45 p.m.; Oval Office

In keeping with your previous sessions with the Assistant Secretaries groups, the following people will come to meet you from the Department of Labor:

Ernest G. Green

Assistant Secretary for Employment & Training - Designate

Francis X. Burkhardt

Assistant Secretary for Labor-Management Relations - Designate

Donald Elisburg

Assistant Secretary for Employment Standards - Designate

Dr. Eula Bingham

Assistant Secretary for Occupational Safety & Health - Designate

Howard Samuel

Deputy Under Secretary for International Labor Affairs - Designate

Nik Edes

Deputy Under Secretary for Legislative Affairs - Designate

Arnold Packer

Assistant Secretary for Policy, Evaluation & Research - Designate

Fred Clark

Assistant Secretary for Administration & Management

Julius Shiskin

Commissioner, Bureau of Labor Statistics

Carin Clauss

Solicitor of Labor - Designate

Alexis Herman

Director - Designate; Women's Bureau

THE WHITE HOUSE
WASHINGTON

March 15, 1977

Stu Eizenstat
Bunny Mitchell

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Frank Moore
Jody Powell

Re: District of Columbia -
Representation in Congress

THE WHITE HOUSE
WASHINGTON

| ACTION | FYI | |
|--------|-----|-----------|
| | | MONDALE |
| | | COSTANZA |
| | X | EIZENSTAT |
| | | JORDAN |
| | | LIPSHUTZ |
| | X | MOORE |
| | X | POWELL |
| | | WATSON |

| | |
|---|---------------------------|
| | FOR STAFFING |
| | FOR INFORMATION |
| X | FROM PRESIDENT'S OUTBOX |
| | LOG IN/TO PRESIDENT TODAY |
| | IMMEDIATE TURNAROUND |

| | |
|--|---|
| | ENROLLED BILL |
| | AGENCY BILL |
| | Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day. |

| | |
|--|---|
| | CAB DECISION |
| | EXECUTIVE ORDER |
| | Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day. |

| ACTION | FYI | |
|--------|-----|--------------|
| | | ARAGON |
| | | BOURNE |
| | | BRZEZINSKI |
| | | BUTLER |
| | | CARP |
| | | H. CARTER |
| | | CLOUGH |
| | | FALLOWS |
| | | FIRST LADY |
| | | GAMMILL |
| | | HARDEN |
| | | HOYT |
| | | HUTCHESON |
| | | JAGODA |
| | | KING |
| | | KRAFT |
| | | LANCE |
| | | LINDER |
| | X | MITCHELL |
| | | POSTON |
| | | PRESS |
| | | B. RAINWATER |
| | | SCHLESINGER |
| | | SCHNEIDERS |
| | | SCHULTZE |
| | | SIEGEL |
| | | SMITH |
| | | WELLS |
| | | VOORDE |

THE ~~WHITE~~ HOUSE
WASHINGTON

Mr. President:

Attached memorandum was
received by my office Sunday
afternoon.

Lipshutz' office concurs with
Stu and Bunny in favor of
Option #2. No other staff
comments have been received.

Rick

THE PRESIDENT HAS SEEN:
THE WHITE HOUSE
WASHINGTON

March 9, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT
BUNNY MITCHELL

SUBJECT:

District of Columbia -
Representation in Congress

Background

During the campaign and recently at HEW you stated that you would like to see the voting rights of the District of Columbia in the Congress increased. You doubted the advisability of the District's becoming a State. The Democratic platform endorsed "voting representation" for the District. Legislation has been introduced in the House which is designed to give the District the Congressional voting representation it would have if it were a State. You will probably be asked about the Administration's position on this issue in your meeting next week with Congressmen concerning District of Columbia matters.

Unless the District (excluding a federal enclave) becomes a State, a Constitutional amendment is required to give it voting representation in Congress. Statehood is not widely supported in the District or in the Congress. Few believe the District has the economic base to be a State.

The Senate opposes giving the District a vote in that body. Last year the House fell 45 votes short of the two-thirds required to pass a resolution to amend the Constitution to provide Congressional voting representation for the District. It is unlikely that a D.C. voting representation resolution will pass without Presidential support.

Arguments Regarding Increased Voting Rights for the District of Columbia

Pro

- would give D.C. citizens the same basic constitutional rights enjoyed by other U.S. citizens and end taxation without representation

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- since D.C. is treated as a State for purpose of Presidential elections it should be treated as a State for purpose of Congressional representation
- D.C. representation in the Senate would not deprive any State of equal suffrage in the Senate in violation of Article V of the Constitution
- the lack of voting representation in Congress for citizens of the nation's capital contradicts principles of democracy and equality

Con

- D.C. conceived as a unique federal city belonging to the nation; voting representation is inconsistent with this conception
- D.C. metropolitan interests adequately served by non-voting delegate and Congressmen from surrounding counties who serve on relevant committees
- the ramifications of granting full voting representation to a political unit which is not a State are unpredictable
- if D.C. is not to become a State, it should not be granted representation as though it were a State

Options

1. Support an amendment to give the District the voting representation in Congress it would have if it were a State. The language of this proposal, endorsed by advocates of "full voting representation", is consistent with that of the 23rd Amendment (D.C. appointment of Presidential electors). Proponents hold that because the District's population is larger than 10 of 50 states, its voting status should equal these states. Opponents rely on the above noted arguments. Because of political, rather than constitutional, objections this amendment has little chance of being endorsed by Congress.
2. Support an amendment phrased to provide voting representation in the House and such additional representation in the Senate as the Congress may approve. This position represents a political compromise. However, by endorsing it you (a) fulfill your pledge

to support increased voting rights, (b) indicate that the form of representation for D.C. should be other than that given a State, and (c) express a belief that Congress is best able to determine the extent of representation to be accorded to this unique political entity. The disadvantage is that objection will be raised to leaving the District's voting status vulnerable to fluctuating Congressional attitudes.

Former Presidents Johnson and Nixon endorsed proposals similar to this.

3. Reemphasize your commitment to the principle of voting representation for the District without endorsing a specific proposal at this time. Express a willingness to support a Constitutional amendment which is satisfactory to both Houses of Congress. This approach provides time for further study of the problem, but it gives the appearance of your doing less for the District than the previous administrations.

Recommendation

Option #2

_____ Approve

_____ Disapprove

Pending Study

J

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WASHINGTON

MEETING WITH REPRESENTATIVES OF THE HOUSE/SENATE
DISTRICT OF COLUMBIA COMMITTEES
Tuesday, March 15, 1977
9:00 a.m. (10 minutes)
Cabinet Room

From: Bunny Mitchell

I. PURPOSE

To discuss District of Columbia issues.

II. BACKGROUND, PARTICIPANTS, PRESS PLAN

a. Background: House District Committee requested meeting to hear President's views on District of Columbia issues. Leaders of all House and Senate Committees with primary responsibility for the District of Columbia were invited to avoid holding additional meetings.

b. Participants:

The President

The Vice President (will begin the meeting at 8:30 a.m.)

House District of Columbia Committee:

Charles E. Diggs, Jr., (Michigan) Chairman
Stewart B. McKinney, (Conn.) Ranking Minority Member
Walter E. Fauntroy, (D.C.) Delegate to Congress
Ronald V. Dellums, (Calif.) Subcommittee Chair (Fiscal & Gov. Affairs)
Romano Mazzoli, (Ky.) Subcommittee Chair (Judiciary)
Herbert E. Harris, II, (Va.) Subcommittee Chair (Economic Dev./ Regional Affairs)

Senate Government Operations Committee
(D.C. Subcommittee)

Thomas F. Eagleton, (Mo.) Chairman, Government Efficiency and District of Columbia Subcommittee
Charles McC. Mathias, Jr., (Md.) Ranking Minority Member

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House - Appropriations, D.C. Subcommittee

William H. Natcher, (Ky.) Chairman
Clair W. Burgener, (Calif.) Ranking Minority Member

Senate - Appropriations Subcommittee

Patrick J. Leahy, (Vt.) Chair

White House Staff Members

Bunny Mitchell
Stu Eizenstat
Frank Moore
Jim Dyke
Doug Huron
Valerie Pinson
Kurt Schmoke

ADDITIONAL BACKGROUND INFORMATION REGARDING PARTICIPANTS:

Congressman Diggs: Key to passage of Home Rule Act; favors voting representation for D.C. in House (2 members); former supporter of Mayor Washington; very concerned with economic development issues.

Congressman McKinney: Supports commuter tax.

Congressman Fauntroy: Advocates full House/Senate voting representation for D.C.

Congressman Natcher: Former critic; more positive now towards city. Diehard on maintaining Congressional budget authority over D.C.

Senator Eagleton: Highly critical of D.C. fiscal systems; responsible for creating D.C. Audit Commission; feels city has too many employees.

III. TALKING POINTS:

1. Historic meeting. First time a President has been interested enough in the development of D.C. as a significant urban symbol to meet with relevant Congressional Committees.
2. Reinforce your support for Home Rule:
 - . Local government's handling of terrorists situation.
 - . Coordination of local resources during winter energy crisis.

3. Underscore importance of better coordination between federal agencies/D.C. government in resolving issues, e.g., transfer of St. Elizabeth's Hospital, reorganizing urban planning operations, financing Metro, restructuring methods of prosecuting local crimes.

(House District Committee wants an Executive Order requiring agencies to check impact of their decisions on D.C. -- three exist now -- agencies have ignored in past.)

4. Fiscal Matters. Sound fiscal planning/accountability systems crucial for city. Federal government should assume appropriate financial responsibility for projects it created for city (Pennsylvania Avenue Development Corporation, Employee Pension Fund, RFK Stadium). Creative approaches needed to broaden city's revenue base (regional tax, level and method of calculating federal payment).
5. Voting Representation in Congress. Requires a Constitutional amendment. Presidential support is desired. *-see attached memo*
6. Amendments to Home Rule Act. Presidential willingness to relinquish responsibility for local judicial appointments.